



# City of San Marino

## Staff Report

Steven W. Huang, DDS, Mayor  
Gretchen Shepherd Romey, Vice Mayor  
Susan Jakubowski, Council Member  
Steve Talt, Council Member  
Ken Ude, Council Member

TO: Mayor and City Council

FROM: Marcella Marlowe, Ph.D., City Manager

BY: John N. Incontro, Chief of Police  
Aaron Blonde', Support Services Commander

DATE: July 10, 2019

**SUBJECT: PROMOTIONAL DISCOUNT AGREEMENT BETWEEN CITY OF SAN MARINO AND RING LLC**

### STRATEGIC PLAN CRITICAL SUCCESS FACTORS

- Engaged and Connected Residents
- Efficient, Responsive, and Effective City Services
- Safe Community
- Fiscally Responsible and Transparent City Government

### BACKGROUND

In 2017, the Police Department responded to 113 residential burglaries. In 2018, the number of residential burglaries decreased to 76. As of May 31, 2019, the Police Department has handled 30 residential burglaries. Our engaged and connected residents, along with proactive patrolling by the officers, has contributed to the steady decline in the number of residential burglaries. However, this has not changed the tactics or approach utilized by the criminals committing these burglaries. More often than not, the suspects commit these crimes in broad daylight and in plain view. They will commonly walk up to the front door of a residence, knock, and when they are satisfied that nobody is home, they force entry through a rear door or window. The Police Department has found that the video surveillance provided by our residents during these investigations not only assists us with creating crime bulletins and identifying the suspects, but also building a case for the prosecution. Video evidence has become a critical component to crime prevention.

At the November 2018 Public Safety Commission Meeting, the Commission expressed an interest in having staff research a partnership with Ring LLC (Ring), to provide San Marino residents with similar discounts that have been offered to other municipalities. The cities of Arcadia, Commerce, La Cañada Flintridge, South Gate, Rancho Palos Verdes, Redondo Beach,

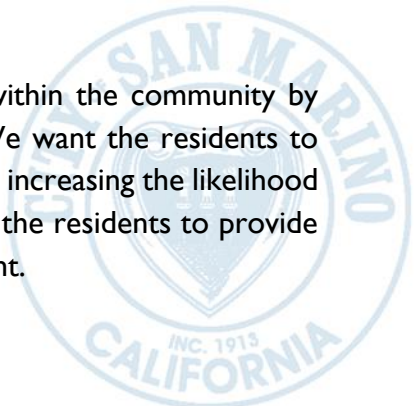
and Temple City have participated in the Ring Rebate Program. Ring is a home security company, owned by Amazon, that provides a wide variety of camera and alarm products. In the months following the November 2018 Public Safety Commission Meeting, staff established a line of communication with a Ring Events Manager and researched the Ring Promotional Discount Program.

## **DISCUSSION**

The City would like to collaborate with Ring for a period of forty-five (45) days following the commencement of the Promotional Period; or until the City's contribution cap of Ten Thousand Dollars and zero cents (\$10,000.00) has been reached, whichever occurs earlier. Ring will collaborate with the City on the distribution and marketing of the Ring Video Doorbell 2, Ring Video Doorbell Pro, Ring Spotlight Cam Wired, Ring Spotlight Cam Battery, Ring Floodlight Cam, Ring Alarm, Ring Spotlight Cam Solar, Ring Stick Up Cam Wired, and Ring Stick Up Cam Battery to residents of the City ("Residents"). During the Promotional Period, Ring will directly provide two hundred (200) unique promotional codes to Residents with a One Hundred Dollar (\$100.00) discount off the sales price for one (1) of the above products at checkout. The discount is available on a first come, first served basis for forty-five (45) days following the commencement of the Promotional Period; or the contribution cap has been reached. Within thirty (30) days of its receipt of the Accounting Statement from Ring, the City shall pay Ring an amount equal to Fifty Dollars (\$50.00) of the One Hundred Dollar (\$100.00) discount

Each Resident is entitled to only one Promotional Code. Each Promotional Code may only be used once per household. Only codes sent to the resident through Ring communications channels will be valid. Promotional Codes shall only be redeemable for Products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount. Promotional Codes may not be combined with any other offer. During the Promotional Period, the Promotional Code may be redeemed for a discount of Thirty Dollars (\$30.00) per product to apply towards the purchase of any additional products with a limit of two (2) additional products per checkout. A twenty percent (20%) discount towards any accessory listed on the company's website, with a limit of three (3) accessories at checkout will also be available. Such discounts shall only be redeemable for products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount.

The goal of the program is to engage residents and increase safety within the community by providing the residents with security options at a discounted rate. We want the residents to take a proactive approach to preventing crime in their community, while increasing the likelihood of capturing video of would-be criminals. There is no requirement for the residents to provide recordings captured by the product to the City or local law enforcement.



The proposed agreement includes an indemnification of the City to Ring for the City's willful misconduct and for any representations or statements made by the City about Ring or its products or services, which have not been pre-approved in writing by Ring. The terms also state that if either Ring or the City is negligent, there is no indemnification from one party to the other party. Additionally, no statements should be made by any City officer or employee about Ring's products and services, which isn't in writing and hasn't been approved in advance by Ring.

The Police Department would also like to host a community event in conjunction with a kick-off launch, highlighting the Promotional Program and its benefits to the residents. The community event and all public relations will be coordinated through Ring's Public Relations Team.

Chief Incontro provided a report to the Public Safety Commission on June 24, 2019, indicating the Department would be presenting a City Council report recommending a Ring device rebate program for community members. The Public Safety Commission voted unanimously to support this program for the community.

## **FISCAL IMPACT & PROCUREMENT REVIEW**

This Agreement presents a limited fiscal impact to the City. During the Promotional Period of this agreement, the City agrees to a maximum contribution payable by the City to Ring, not to exceed Ten Thousand Dollars and no cents (\$10,000.00). This Agreement was not budgeted for in Fiscal Year 2019-20, and would require a budget amendment.

This contract complies with the City Code for Procurement of Services. Bidding was waived as Ring is the only known provider that offers a program such as this for our residents.

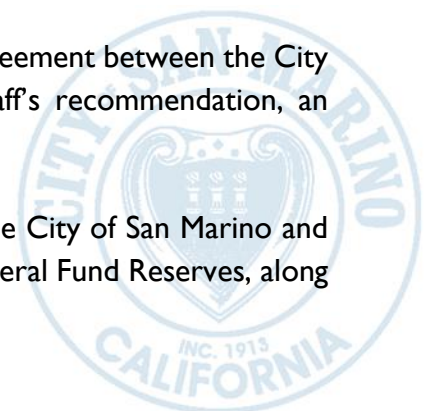
## **LEGAL REVIEW**

The Agreement has been reviewed and approved by the City Attorney as to legal form.

## **RECOMMENDATION**

Staff recommends City Council approve the Promotional Discount Agreement between the City of San Marino and Ring LLC. If the City Council concurs with staff's recommendation, an appropriate motion would be:

"I move to approve the Promotional Discount Agreement between the City of San Marino and Ring LLC, and a budget amendment to appropriate funds from the General Fund Reserves, along



with the necessary additional transfer from the General Fund to the Public Safety Fund, in the amount of \$10,000.00, into the Community Relations Account 103-30-4376-0200.”

## **ATTACHMENTS**

### I. Promotional Discount Agreement



## PROMOTIONAL DISCOUNT AGREEMENT

This Promotional Discount Agreement (“Agreement”) is made and entered into as of the last signature date set forth below, by and between the City of San Marino, a California municipal corporation (“City”) and Ring LLC, a Delaware limited liability company (“Ring”). City and Ring are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

### RECITALS

WHEREAS, Ring produces security cameras, video doorbells and alarm systems for residential use which link smartphone users to their devices.

WHEREAS, with this technology, the homeowner has the capability to see, hear and speak to visitors through their smartphones, tablets or desktops.

WHEREAS, the City desires to collaborate with Ring to establish a promotional discount program whereby City residents can purchase Ring’s security cameras, video doorbells and alarm systems for use at residences within the City at a discounted price to enhance security and safety in the community.

WHEREAS, the promotional discount program will be operated on a first-come-first-served basis.

WHEREAS, the subsidy program will be administered separate and apart from any other program or agreement between Ring and the City (or any agency or subdivision thereof), including, without limitation, any law enforcement agency's participation in Ring's Neighbors application.

WHEREAS, the City finds that the dedication of public funds under this Agreement will serve the safety of City residents, an issue of important public purpose.

### OPERATIVE PROVISIONS

**NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:**

1. **Recitals are Part of Agreement.** The preceding Recitals are part of this Agreement.
2. **Ring Obligations.** Ring agrees to do the following in furtherance of this Agreement:

- a. Ring will collaborate with the City on the distribution and marketing of the Ring Video Doorbell 2, Ring Video Doorbell Pro, Ring Spotlight Cam Wired, Ring Spotlight Cam Battery, Ring Floodlight Cam, Ring Alarm, Ring Spotlight Cam Solar, Ring Stick Up Cam Wired and Ring Stick Up Cam Battery (each, a “Product” and collectively, the “Products”) to residents of City (“Residents”).
- b. During the Promotional Period (as defined below), Ring will directly provide two hundred (200) unique promotional codes (“Promotional Codes”) to Residents with a One Hundred Dollar (\$100.00) discount off the sales price for one (1) of the Products at checkout.

Each Resident is entitled to only one Promotional Code. Each Promotional Code may only be used once per household. Only codes sent to the resident through Ring communications channels will be valid. Promotional Codes shall only be redeemable for Products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount. Promotional Codes may not be combined with any other offer.

- c. During the Promotional Period, the Promotional Code may be redeemed for (i) a discount of Thirty Dollars (\$30.00) per product to apply towards the purchase of any additional Products with a limit of two (2) additional Products per checkout and (ii) a twenty percent (20%) discount towards any accessory listed on the company’s website with a limit of three (3) accessories at checkout. Such discounts shall only be redeemable for Products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount.
- d. Ring will fulfill orders for Products when Residents provide information and payment required using the information required for Ring to complete delivery of the Product (including name, address, email address, etc.). Standard delivery shall be in accordance with Ring’s then-existing shipping policies. Ring will use commercially reasonable efforts to ship the Products within three (3) business days from date the order was placed.
- e. Ring will provide product and user support to Residents who purchase Products, including warranty for the security device(s)

and, if the resident chooses to, the option to hire someone to install the device(s). These options will be provided at checkout at the user's expense.

- f. Ring will provide marketing support and materials for City to distribute to Residents, such as brochures and flyers.
- g. Ring shall contribute Fifty Dollars (\$50.00) of the One Hundred Dollar (\$100.00) discount specified in section 2.b above.
- h. Within thirty days after the end of the Promotional Period, Ring will provide the City with an accounting statement (the "Accounting Statement") setting forth the number of Products purchased using the Promotional Code during the Promotional Period and such other information reasonably requested by City to enable the Parties to determine the City's required City contribution amount, as specified in Section 3.a below.

3. **City Obligations.** The City agrees to do the following in furtherance of this Agreement:

- a. Within thirty (30) days of its receipt of the Accounting Statement from Ring, City shall pay Ring an amount equal to Fifty Dollars (\$50.00) of the One Hundred Dollar (\$100.00) discount specified in section 2.b above for the first Product sold to each Resident household during the Promotional Period using a Promotional Code. No other Product is eligible for a City contribution. The maximum contribution payable by the City to Ring under this Agreement shall not exceed Ten Thousand Dollars and no cents (\$10,000.00) (the "Contribution Cap").
- b. During the Promotional Period, the City agrees to make reasonable efforts to promote the program provided in this Agreement on the City's website, social media platforms, such as Facebook and Twitter; issue press release(s), and/or have brochures and flyers available at City Hall for the public. The Parties shall agree to a joint press release to be mutually agreed upon by the Parties. The City agrees it shall not issue any press release related to the program without Ring's prior written consent. All press releases issued by the City shall be made available to the public on the City's website, social media platform, or other platform as approved by Ring. Notwithstanding the foregoing, the City reserves the right to include in any promotional messages a

disclaimer of the City's liability regarding the use of Ring's Products or any or all warranties for the same.

- c. The City shall be responsible for verifying the residency and eligibility of Residents. Notwithstanding the foregoing, in no event shall the City impose any requirements or restrictions on any Resident's use of the Products (e.g., City shall not require Residents provide recordings captured by the Products to the City or any agency or subdivision thereof, including local law enforcement), whether as part of a Resident's eligibility or otherwise.
4. **Promotional Period.** The "Promotional Period" shall commence on a date mutually agreed by the Parties and shall expire upon the earlier of the following:
- a. Forty-five (45) days after the commencement of the Promotional Period; or
  - b. The Contribution Cap has been reached.
5. **Termination.** Each of the City and Ring reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party, except that where termination is due to the fault of the non-terminating party, the period of notice may be such shorter time as may be determined by the terminating party.
6. **No Third Party Rights.** No third party shall be deemed to have any rights hereunder against either party as a result of this Agreement.
7. **Indemnification.**

Ring shall indemnify, defend and hold harmless the City, its officers, officials, employees and volunteers from and against any and all third party claims, allegations, lawsuits, proceedings, losses, liabilities, damages, judgments, settlements costs or expenses, including attorney's fees and costs, in law or equity, that may at any time arise or be set up by reason of damages to property or personal injury, including death, as a result of or arising out of, in whole or part, any product or service provided by Ring under this Agreement or any willful misconduct of Ring or any of Ring's employees or subcontractors relating to the performance of services under this Agreement. Ring's obligations under this paragraph shall survive the termination or expiration of this Agreement.



The City shall indemnify, defend and hold harmless Ring, its officers and employees from and against any third party claims, allegations, lawsuits, proceedings, losses, liabilities, damages, judgments, settlements costs or expenses, arising out of (i) any representations or statements made by the City about Ring or its products or services which have not been pre-approved in writing by Ring and (ii) City's willful misconduct in connection with performance of this Agreement. City's obligations under this paragraph shall survive the termination or expiration of this Agreement.

**Limitation of Liability.** Except with respect to indemnification claims, In no event will (a) either Party be liable for any loss of data, loss of profits, cost of cover or other special, incidental, consequential, indirect, punitive, exemplary or reliance damages arising from or in relation to this Agreement, however caused and regardless of theory of liability and (b) either Party's aggregate liability for damages under this Agreement exceed the Contribution Cap.

8. **Independent Contractor.** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Ring, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Ring's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Ring shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Ring shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Ring in its business or otherwise or a joint venturer or a member of any joint enterprise with Ring.
9. **Governing Law.** This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Ring covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S.

District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

10. **Notices.** Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and sent by email, in the case of the City, to Aaron Blonde' at ABlonde@SMPD.US and in the case of Ring, to August Cziment at [a@ring.com](mailto:a@ring.com) and [legal@ring.com](mailto:legal@ring.com). Either party may change its email address by notifying the other party of such change.
11. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.
12. **Integration; Amendment.** This Agreement is the entire, complete and exclusive expression of the understanding of the Parties. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Ring and by the City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.
13. **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.
14. **Corporate Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be

binding upon the heirs, executors, administrators, successors and assigns of the parties.

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the date and year listed below.

**CITY:**

City of San Marino, a California  
municipal corporation

By:\_\_\_\_\_

Name: Marcella Marlowe, Ph.D.

Title: City Manager

Date:\_\_\_\_\_

Attest:\_\_\_\_\_

Name: Eva Heter

Title: City Clerk

Date:\_\_\_\_\_

**RING:**

RING LLC, a Delaware limited  
liability company

By:\_\_\_\_\_

Name: Mel Tang

Title: Vice President

Date:\_\_\_\_\_

Address: 1523 26<sup>th</sup> Street, Santa  
Monica CA 90404